

EXHIBIT I
(supplemental filing)

STATES WHERE ELECTRIC BROKER SERVICES
ARE PRESENTLY PROVIDED
(copies of registration letters issued by
Illinois and Pennsylvania)

INTL FCSTONE FINANCIAL INC.

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

INTL FCStone Financial Inc. :
 :
Application for Licensure of Agents, : 16-0307
Brokers and Consultants under :
Section 16-115C of the Public Utilities Act. :

ORDER

By the Commission:

I. INTRODUCTION

On May 9, 2016, INTL FCStone Financial Inc. ("Applicant") filed a verified application with the Illinois Commerce Commission ("Commission") requesting a certificate of service authority to operate as an agent, broker, or consultant ("ABC") in Illinois pursuant to Section 16-115C of the Public Utilities Act ("Act"), 220 ILCS 5/1-101 et seq., and 83 Ill. Adm. Code 454, "Licensure of Retail Electric Agents, Brokers and Consultants" ("Part 454"). Applicant requests authority to offer services as an ABC for the procurement or sale of retail electricity supply for third parties in the State of Illinois. Since all of the information to grant the requested relief was contained in the Application, the Hearing was waived.

II. REQUIREMENTS FOR ALL APPLICANTS UNDER SECTION 16-115C OF THE ACT

Applicant is a business organized under the laws of Florida and authorized to transact business in Illinois. Applicant has certified that it will comply with all applicable regulations; that it will comply with informational and reporting requirements established by Commission rule; that it will comply with informational and reporting requirements pursuant to Section 16-115C of the Act; and that it will comply with all other applicable laws, regulations, terms, and conditions required to the extent they have application to the services being offered by an ABC. Applicant has agreed to ensure that any person who acts on its behalf will comply with all applicable sections of Part 454. Applicant agrees that it will remain in compliance with the provisions of the Act and Part 454, and will ensure that authorizations received from customers, and all other applicable records are retained for a period of not less than three calendar years after the calendar year in which they were created. Applicant has agreed to adopt and follow rules and procedures to preserve the confidentiality of its customers' data. The Applicant has also attested that no complaints have been filed against it for its provision of services in the electric or gas industry in the jurisdictions where it provides or is seeking to provide services.

III. FINANCIAL, TECHNICAL, AND MANAGERIAL REQUIREMENTS OF SECTION 16-115C

Applicant is required by Section 454.60 to demonstrate that it meets the managerial qualifications necessary to provide services as an ABC. Applicant must further provide an organizational chart that indicates the position of persons which satisfy the managerial qualification. Applicant has demonstrated that it meets the managerial qualifications set forth in Section 454.60 through Attachment A to the Application. Attachment A to the Application contains a corporate organizational chart and identifies the occupational background information of the persons being used to meet the requirements of Section 454.60(a). Attachment A contains occupational background information on the person or persons being used to meet the requirements of Section 454.60(a).

Applicant is required by Section 454.70 to demonstrate that it meets the technical qualifications necessary to provide services as an ABC. Applicant has demonstrated that it meets the technical qualifications set forth in Section 454.70 with the information provided in Attachment A. Attachment A contains occupational background information on the person or persons being used to meet the requirements of Section 454.70(a).

Pursuant to the requirements of Section 454.80 of Part 454, Applicant provided a surety bond in the amount of \$5,000 issued by a qualifying surety authorized to transact business in Illinois. Applicant further agrees to comply with the Code of Conduct for ABCs contained in Section 454.90.

IV. COMMISSION CONCLUSION AND CERTIFICATE OF SERVICE AUTHORITY

The Commission has reviewed the application and attachments provided by Applicant regarding the technical, managerial, and financial requirements and all other requirements of the Act and Part 454 and finds that the Applicant sufficiently demonstrates compliance with the requirements. The Commission concludes, therefore, that Applicant's request for a certificate of service authority to operate as an ABC in Illinois should be granted and should include the following authority:

CERTIFICATE OF SERVICE AUTHORITY

IT IS CERTIFIED that INTL FCStone Financial Inc. is granted service authority to operate as an agent, broker, or consultant for the procurement or sale of retail electricity supply for third parties in the State of Illinois.

V. FINDINGS AND ORDERING PARAGRAPHS

The Commission, having reviewed the entire record, is of the opinion and finds that:

- (1) INTL FCStone Financial Inc., a business organized under the laws of Florida and authorized to transact business in Illinois, seeks a certificate of service authority to operate as an ABC under Section 16-115C of the Act;
- (2) the Commission has jurisdiction over the party hereto and the subject matter hereof;
- (3) the recitals of fact and conclusions reached in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact;
- (4) INTL FCStone Financial Inc. has demonstrated that it possesses sufficient financial, managerial, and technical resources and abilities to provide services as an ABC for the procurement or sale of retail electricity supply to third parties in the State of Illinois;
- (5) INTL FCStone Financial Inc. has complied with Section 16-115C of the Act and Part 454; and
- (6) INTL FCStone Financial Inc. should be granted a certificate of service authority to operate as an ABC as specified in this Order.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that INTL FCStone Financial Inc. is hereby granted a Certificate of Service Authority authorizing it to operate as an agent, broker, or consultant; said Certificate of Service Authority shall read as that set forth in Section IV of this Order.

IT IS FURTHER ORDERED that INTL FCStone Financial Inc. shall comply with all applicable Commission rules and orders now and as hereafter amended.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 21st day of June, 2016.

(SIGNED) BRIEN SHEAHAN

Chairman

PENNSYLVANIA PUBLIC UTILITY COMMISSION

IN THE MATTER OF THE APPLICATION OF: A-2013-2365597

The Application of FCStone, LLC to begin to offer, render, furnish or supply electric generation supplier services to small commercial (25 kw and under demand), large commercial (over 25 kw demand), industrial, and governmental customers in all electric distribution company service territories within the Commonwealth of Pennsylvania.

EFFECTIVE DATE: OCTOBER 31, 2013

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues, evidencing the Commission's approval, to the applicant this:

LICENSE FOR ELECTRIC GENERATION SUPPLIER.



In Witness Whereof, the PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its Secretary at its office in the city of Harrisburg this 31ST DAY OF OCTOBER 2013.

A handwritten signature in cursive script, appearing to read "Kathleen Chitt", is written over a horizontal line.

Secretary

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held October 31, 2013

Commissioners Present:

Robert F. Powelson, Chairman
John F. Coleman, Jr., Vice Chairman
James H. Cawley
Pamela A. Witmer
Gladys M. Brown

License Application of FCStone, LLC for Approval
to Offer, Render, Furnish or Supply Electricity or
Electric Generation Services as a Broker/Marketer

Docket No:
A-2013-2365597

ORDER

BY THE COMMISSION:

On May 15, 2013, FCStone, LLC (FCStone or Applicant) filed an application seeking to become a licensed electric generation supplier (EGS) in all service territories within the Commonwealth of Pennsylvania. The application was filed pursuant to the Commission's regulations at 52 Pa. Code §§ 54.31-54.43, which became effective on August 8, 1998, and which were established under section 2809 of the Public Utility Code, 66 Pa. C.S. § 2809.

Section 2809 provides in pertinent part that:

License Requirement.--No person or corporation, including municipal corporations which choose to provide service outside their municipal limits except to the extent provided prior to the effective date of this chapter, brokers and marketers, aggregators and other entities, shall engage in the

business of an electric generation supplier in this Commonwealth unless the person or corporation holds a license issued by the Commission.

An electric generation supplier is defined as:

A person or corporation, including municipal corporations which choose to provide service outside their municipal limits except to the extent provided prior to the effective date of this chapter, brokers and marketers, aggregators or any other entities, that sells to end-use customers electricity or related services utilizing the jurisdictional transmission or distribution facilities of an electric distribution company, or that purchases, brokers, arranges or markets electricity or related services for sale to end-use customers utilizing the jurisdictional transmission and distribution facilities of an electric distribution company.

66 Pa. C.S. § 2803.

FCStone is a foreign corporation, incorporated in the State of Iowa, and registered in the Commonwealth of Pennsylvania as of October 31, 2012. FCStone proposes to act as a broker/marketer for small commercial (25 kw and under demand), large commercial (over 25 kw demand), industrial, and governmental customers. Applicant proposes to provide procurement plan consulting and electricity brokerage services. FCStone states that it will not bill customers directly for its broker services. Applicant will not pay customer bills in its broker services role. Customers will continue to pay their bills directly to the electric distribution company (EDC) or EGS, as appropriate. At no time will FCStone take title to the electric supply.

Currently, FCStone does not intend to provide these services to residential customers. Therefore, Chapter 56 residential service regulations do not apply. If FCStone chooses to provide broker/marketer services to residential customers in the future, however, FCStone must file a request for a license modification with the Commission Secretary by letter immediately and shall be required to comply with, and be governed by,

applicable Chapter 56 residential service regulations as set forth in the Commission Order *Guidelines for Maintaining Customer Service at the Same Level of Quality Pursuant to 66 Pa. C.S. § 2807(d), and Assuring Conformance with 52 Pa. Code Chapter 56 Pursuant to 66 Pa. C.S. § 2809(e) and (f)* at Docket No. M-00960890F0011, Order entered July 11, 1997. Thus, we deem it appropriate to reiterate certain items with respect to Chapter 56 of our regulations. Chapter 56 (52 Pa. Code Chapter 56) is applicable to residential accounts. An EGS cannot physically disconnect a residential customer from the electricity grid; therefore, the rules relating to residential service termination are not applicable to EGSs. An EGS may seek to terminate its generation service through an appropriate written notice to the customer and the distribution company. The residential customer can then attempt to repair their relationship with the supplier, seek a new supplier, or return to utility service at default service rates in accordance with the utility's obligations under section 2807(e), 66 Pa. C.S. § 2807(e). The customer would only be disconnected from the electricity grid pursuant to appropriate regulations if the customer failed to meet its obligations to the utility or the EGS that has been designated by the Commission as the provider of last resort.

Additionally, we specifically note that the licensee must comply with, and ensure that its employees, agents, representatives and independent contractors comply with the standards of conduct and disclosure for licensees set out in Commission regulations at 52 Pa. Code § 54.43 that were enacted to protect consumers of this Commonwealth. These standards include, *inter alia*, the provision of timely and accurate information about the services offered by the licensee, the practice of nondiscrimination in service in regard to race, color, religion, national origin, marital status, etc., the safeguarding of a consumer's personal information, and compliance with applicable state and federal consumer protection laws. Also, we take this opportunity to remind the licensee of its agreement to abide by, and to ensure that its employees, representatives, agents and independent contractors abide by all applicable federal and state laws, and

Commission regulations, procedures and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of business.

Applicant has provided proofs of publication in Pennsylvania newspapers and proofs of service to the interested parties as required by the Commission.

Regarding the financial and technical requirements of the license application, FCStone has supplied financial statements for the years 2011 and 2012. Applicant has also provided historical employment information for chief officers indicating that they have the necessary consulting, utility and/or regulatory experience. Sufficient information has been provided by Applicant to demonstrate its financial and technical fitness in order to be licensed as a broker/marketer in the Commonwealth of Pennsylvania.

FCStone did not provide a \$250,000 bond as required by the license application; however, it did provide a bond in the amount of \$10,000 and requests that the Commission reduce its security requirement from \$250,000 to \$10,000. In support of this request, Applicant explains that it will not be collecting any gross receipts from its customers or generating electricity. Its services include procurement plan consulting and electricity brokerage services.

The Commission believes that the reasoning on which FCStone bases its request for a bond reduction from \$250,000 to \$10,000 is similar to that offered by the other EGSs that have successfully petitioned the Commission for a bonding level of \$10,000. Two of the EGSs are Co-eXprise, Inc. (Co-eX), at Docket No. A-110166, whose request was granted January 20, 2006, and Premier Energy Solutions (Premier), at Docket No. A-110170, whose request was granted July 26, 2006. In the case of Co-eX, the

company explained that, as a consultant, it will provide its customers with an evaluation and selection process from which to select the best positioned licensed electricity supplier/generator and award business. In the case of Premier, the company explained that it requested an EGS license to become EDI certified with the utilities, in order to be able to efficiently and effectively obtain electricity usage information for the customers to whom it provides consulting services. Premier intended to utilize the information to help its customers reduce their overall spending for electricity. Premier also stated that it will not take title to power.

The Commission believes that FCStone operates in a similar manner and therefore should be granted similar relief and be permitted to provide a bond or other approved security in the reduced amount of \$10,000. However, Applicant's bonding level is contingent upon the company's business model as described in this Order. If FCStone takes title to generation supply for its customers, and/or charges customers directly for that generation supply, a \$10,000 level of bonding may not be appropriate. Therefore, we will direct FCStone to notify the Commission 45 days prior to a change in its business model, whereby FCStone takes title to generation supply and/or bills its customers directly for that generation supply. This will provide the Commission with an opportunity to review and adjust Applicant's approved bonding level prior to Applicant implementing those changes.

As of October 22, 2013, no protests have been filed.

We find that the applicant:

1. Is fit, willing and able to properly perform the service proposed in conformance with applicable provisions of the Public Utility Code and lawful Commission orders and regulations, specifically

including 52 Pa. Code Chapter 56 (relating to Standards and Billing Practices for Residential Utility Service).

2. Has agreed to lawfully abide by all Commission regulations, procedures and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.

We further find that the proposed service, to the extent authorized by the license, will be consistent with the public interest and the policy declared in the Electricity Generation Customer Choice and Competition Act.

Upon full consideration of all matters of record, we find that approval of this application is necessary and proper for the service, accommodation and convenience of the public; **THEREFORE,**

IT IS ORDERED:

1. That the application of FCStone, LLC is hereby approved, consistent with this Order.
2. That FCStone, LLC's request for a reduction in the bond level from \$250,000 to \$10,000 is hereby granted.

3. That the security amount of \$10,000 shall remain in effect for FCStone, LLC as long as FCStone, LLC does not make a change to its business model in Pennsylvania, whereby it would take title to generation supply and/or bill its customers directly for generation supply.

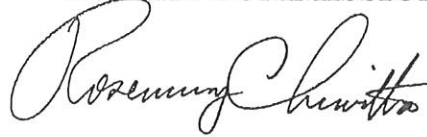
4. That a license be issued authorizing FCStone, LLC to begin to offer, render, furnish or supply electric generation supplier services to small commercial (25 kw and under demand), large commercial (over 25 kw demand), industrial, and governmental customers in all electric distribution company service territories within the Commonwealth of Pennsylvania, as specified in the Order.

5. That if FCStone, LLC proposes to change its business model as described in Ordering Paragraph No. 3, it must notify the Commission at least 45 days prior to the changes. With the notice, the Company must provide an update to the nature and scope of business information that was required by Pa. Code § 54.40(c) to justify the modification granted in Ordering Paragraph No. 3. This will provide the Commission the opportunity to review FCStone, LLC's bonding level and adjust as appropriate, prior to FCStone, LLC implementing the proposed changes to its business model.

6. That if FCStone, LLC changes its business model without providing to the Commission the notice and information required in Ordering Paragraph No. 5, then the reduced bonding level permitted by Ordering Paragraph No. 2 shall cease effective with the date of the change in the business model. The level of bonding effective at that time shall be \$250,000 or the level required by 52 Pa. Code § 54.40, whichever is greater.

7. That this proceeding at Docket No. A-2013-2365597 be closed.

BY THE COMMISSION,

A handwritten signature in cursive script, appearing to read "Rosemary Chiavetta".

Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: October 31, 2013

ORDER ENTERED: October 31, 2013